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DEPARTMENT FOR EUR(DICARLO), EUR/SCE(HOH/FOOKS); NSC FOR BRAUN; OSD FOR BIEN

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TAGS: PGOV PREL PINR BK RU EU

SUBJECT: BOSNIA - LAJCAK RETURNS FROM RUSSIA OPTIMISTIC

ABOUT FEBRUARY PIC

Classified By: A/DCM Reinert. Reason 1.4(b) and (d).

- $\P1$. (C) On February 1, High Representative Miroslav Lajcak met with Sarajevo-based Quint representatives to discuss his January 31 trip to Moscow. Lajcak traveled to Russia, where he met with Deputy Foreign Minister Titov and Political Director Kharchenko, to discuss the upcoming February 26-27 Peace Implementation Council (PIC), which must, among other things, decide whether the Office of the High Representative (OHR) should remain open beyond June 2008. Lajcak told the Quint that the Russians had expressed concern that "some PIC countries" wanted OHR to remain open indefinitely, which Russia strongly opposed. Lajcak told the Russians that this was not the case but also stressed that it was unrealistic, given the current political situation in Bosnia, to close OHR in June. Lajcak explained to the Quint that he outlined his "benchmarks approach" to the Russians and had suggested signing a Stabilization and Association Agreement (SAA) resolving state and defense property, regularizing Brcko's status within Bosnia, and resolving outstanding issues associated with the Indirect Taxation Authority, as possible benchmarks.
- 12. (C) According to Lajcak, the Russian response was positive. The Russians maintained that all the benchmarks Lajcak had outlined could be achieved by the end of June 2008, which meant OHR could close two to three months later. The Russians also claimed that Bosnia was now stable and making progress towards European integration. With that in mind, the Russians told Lajcak that they "did not see OHR remaining open beyond the end of the year." The Russians reportedly told Lajcak that benchmarks must be strictly tied to Dayton implementation or drawn from OHR's existing Mission Implementation Plan, adding that Russia opposed use of the Bonn Powers to accomplish benchmarks. The Russians noted that Republika Srpska and the Bosnian Serbs have "Russia's full support" for maintaining Dayton as the "fundamental framework" for Bosnia. Finally, Russia would strongly oppose any reference in the February PIC communique to "the situation in the region" as a rationale for keeping OHR open.

Russians Propose Contact Group

13. (C) The Russians proposed that Lajcak meet with the Contact Group prior to the PIC in mid-February to discuss Bosnia and OHR's future, claiming that they were unwilling to participate in a Contact Group meeting in January because of the Serbian elections. Russia also proposed that Contact

Group Political Directors meet in Brussels prior to the PIC on February 26. Lajcak told the Quint that he supported both proposals, stressing the importance of securing Russian support for a PIC decision on OHR's future prior to the PIC itself. Lajcak told the Quint that an acrimonious PIC, characterized by a Russian dispute with other PIC members, would undercut OHR's post-PIC credibility and ability to perform its mission. Quint representatives suggested that Quint Political Directors should meet in advance of any mid-February and February 26 Contact Group.

Comment

14. (C) Lajcak was optimistic about the outcome of his consultations in Moscow. He believes that Russia is ready to compromise on OHR's future provided, as Lajcak put it, "they are not the only ones compromising." Lajcak believes Russia is prepared to have a constructive discussion about OHR's future if it is framed as a response to the question, "how do we close OHR?" Russia will accept "benchmarks" as the answer to that question, Lajcak believes. We would certainly welcome a constructive approach by the Russians in Brussels. It would be a welcome change from what we are hearing at the weekly meeting of Steering Board Ambassadors from the Russian Ambassador. Nonetheless, we reminded Lajcak of Russian tactics at the February 2007 PIC, which took the decision to keep OHR open beyond June 2007. We should not allow Russia to negotiate a "compromise" that it then effectively disavows with a footnote to the communique, as it did in 2007. ENGLISH